LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY**, **APRIL 20, 2005**, upon the application of **CHESAPEAKE OPERATING**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston (Travis Peak) Zone and the Cotton Valley "D" Zone,** in the Sligo Field, Bossier Parish, Louisiana.

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston (Travis Peak) Zone and from the Cotton Valley "D" Zone, such units being designated HOSS TP SU57 and CV D SUGG.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate the Chesapeake Operating, Inc. USA C No. 2 Well as the unit well for HOSS TP SU57, and to authorize Applicant to drill, designate and utilize seven (7) alternate unit wells for HOSS TP SU57, such unit well and proposed alternate unit wells being located as shown on plat submitted with the application.
- 4. To authorize Applicant to drill, designate and utilize a unit well and six (6) alternate unit wells for CV D SUGG at the locations shown on the plat submitted with the application.
- 5. To designate Applicant as Operator of both of the proposed units.
- 6. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
- 7. To approved exceptions to the well location provisions of Office of Conservation Order No. 8-B, effective September 1, 1956, for the location of any of the proposed unit or alternate unit wells, which does not comply with the well location provisions of said Order.
- 8. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 8-B, effective September 1, 1956, as amended and supplemented by the Order No. 8-B series of Office of Conservation Orders, to the proposed additional units.
- 9. To consider such other matters as may be pertinent.

The Hosston (Travis Peak) Zone and the Cotton Valley "D" Zone, were defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

SLIGO FIELD 05-406 and 05-407

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 3/14/05;3/17/05 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.